

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 565 (Second Edition)

SHORT TITLE: Amend Real Estate Appraisers' Laws/Fees.

SPONSOR(S): Representatives Szoka, Howard, B. Brown, and Saine

<b>FISCAL IMPACT</b>					
	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<input type="checkbox"/> No Estimate Available
<b>Fund Impact</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Revenues:	75,000	75,000	75,000	75,000	75,000
Expenditures:					
<b>NET LOCAL IMPACT</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$75,000</b>

**PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:** North Carolina Appraisal Board

**EFFECTIVE DATE:** This act becomes effective January 1, 2014

**TECHNICAL CONSIDERATIONS:**  
None

**BILL SUMMARY:**

House Bill 565 (Second Edition) amends the Real Estate Appraisers licensing laws by increasing the educational requirements for certification as a residential real estate appraiser from an associate's degree to a bachelor's degree, requiring registered appraisal management companies to maintain a \$25,000 surety bond, establishing the Appraisal Management Recovery Fund, and requiring each applicant for registration or renewal of registration as an appraisal management company to pay a \$500 fee for the Fund.

**ASSUMPTIONS AND METHODOLOGY:**

House Bill 565 (Second Edition) establishes a fee for the newly established Appraisal Management Recovery Fund. The \$500 fee is imposed on the registration or renewal of registration of an appraisal management company.

According to the North Carolina Appraisal Board, there are approximately 150 appraisal management companies currently registered. Assuming that all 150 companies renew, the Board would collect \$75,000 per fiscal year. The fiscal impact also assumes that, since the effective date is January 1, 2014, the \$500 renewal fee wouldn't be in place until FY 2014-15 fees are collected by June 30, 2014.

**SOURCES OF DATA:** North Carolina Appraisal Board, Research Division's Bill Analysis

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

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**APPROVED BY:** Mark Trogdon, Director  
Fiscal Research Division

**DATE:** June 25, 2013



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